

Greeks Move Into Shipbuilding

Athens, March 22 (AP)—Greek shipowners, already controlling the world's largest merchant fleet, are turning to another lucrative enterprise—building and repairing their own ships.

The industry has gained impetus in this part of the Mediterranean since the closing of the Suez Canal after the 1967 Arab-Israeli war.

The Greeks reportedly were prompted to enter the field by difficulties they have encountered in recent years in placing orders for new construction in the world's shipyards.

Inexpensive Labor

And shipbuilding is inexpensive in Greece, where labor wages are still considered as the world's lowest.

The Greek government recently approved plans to establish two more shipyards in Greece, bringing to five the number of major units set up in the past 11 years. There have also been official reports that establishment of several other yards is under consideration.

The latest approval, covering investments expected to exceed \$100 million, is for the creations of shipyards at Suda Bay, on the island of Crete, and at the port of Volos, on the east coast of mainland Greece.

Both are being set up by Greek shipowners—Capt. Nicholas Papalios at Suda and by John Theodoracopoulos at Volos. Captain Papalios, whose fleet consists of tankers and cargo vessels, has already invested \$29.6 million on the construction and repair yard at Suda, with foreseen supplementary investments bringing the total of \$74.3 million over an eight-year period.

Mr. Theodoracopoulos's investment is expected to top \$33.5 million. His yard will be equipped with a graving dock for repair or construction of ships of up to 60,000 dead-weight tons.

The two yards, expected to be partially in service by the end of 1972, will join the existing complexes at Scaramanga and Elefsis, near Athens, and at Syros island in the Aegean Sea.

Niarchos Shipyard

The Hellenic Shipyards at Scaramanga, owned by the shipping magnate, Stavros Niarchos, represents investments of \$60 million and employs a work force of 6,000. It is already Greece's biggest heavy industry.

Further expansion at a cost of \$50 million is provided for under

the terms of the \$199 million package deal signed by Mr. Niarchos with the Greek state last year.

In hot pursuit of Mr. Niarchos is another Greek millionaire, Professor Stratis Andreadis, a shipowner and banker whose yard at nearby Elefsis was inaugurated in 1969. This yard, so far engaged exclusively in repair work and steel fabrications for industry, will begin turning out 6,000 dead-weight-ton bulk carriers this year.

Oldest Establishment

The fifth major unit is also Greece's oldest shipyard at Neorion on the island of Syros. Taken over by the Nicholas J. Goulandris Brothers in 1969, it has this year received approval for investment of \$11.7 million on installations for construction of ships of up to 15,000 dead-weight tons.

One of the several major units under consideration is a plan by shipowner M. A. Karageorgis, in co-operation with Japanese interests, to set up a shipyard and steel plant at the port of Pylos Navarinon in the Western Peloponnese, reportedly representing an investment of about \$200 million.

Now under construction, following approval of a \$7.4 million dollars investment, are the East Mediterranean Shipyards near Corinth.

Yachts To Ferries

In addition, there are between 30 and 40 smaller yards, the majority in the Piraeus area, building everything from fishing smacks and small luxury yachts to 100-meter passenger car ferries. They increasingly are taking on conversion and renovation jobs for Greek cruise opera-